

BOARD OF SELECTMEN & SEWER COMMISSIONERS'
SPECIAL MEETING MINUTES
Faulkner Hearing Room
March 8, 2008 - 10:00 A.M.

Present: Chairman Hunter, Selectmen Rosenzweig, Magee, Knibbe, Berry and Town Manager Steve Ledoux
Recording Secretary, not present by tape, Maryjane Kenney

I. CITIZENS' CONCERNS

None

II. PUBLIC HEARINGS AND APPOINTMENTS

No Appointments

III. SELECTMEN'S BUSINESS

ALG DISCUSSION

The Town Manager addressed a change in the newest spreadsheet from the Board that affected the overall 5 year plan. In the total free cash figure there was a formula error. It changes total reserves and assumptions that the Board had made in regards to the Budget. The question is if there was an ALG agreement, is that now still acceptable. Selectwoman Knibbe wants to discuss the old ALG that was previously rejected. The Chairman and Selectwoman Rosenzweig had agreed to look at both the Ashton Plan and the ALG plan with staff. The guidance from staff was to look at both plans and then advise staff of the Board's decision. Selectman Berry noted the Board has not seen the Aston Plan at all but it appears like there are some major reductions. Selectwoman Knibbe has a different approach she would like to review with the Board members as she is not aware of the other plans. The ALG plan she feels is bad for the Town, pulling down all the NESWC reserve money. The Ashton plan has reductions but given the financial situation it is a plan that leaves good choices in the future. The Chairman tends to agree with Selectwoman Knibbe given the financial outlook, but now, where to cut. The questions remain about parity in cuts with the schools. Proportionately it still looks like the town needs to take more cuts than the school. Selectman Knibbe felt that the decision leaves the town more money in the future as it retains more money in the NESWC fund and addresses needs and revenues at this point. Selectwoman Knibbe passed out a straw man budget that she felt addressed the needs and revenue available. She made some personal assumptions for cuts and felt with reductions the major requests would be doable following the Ashton budget. Because the economy is not good we should be making these cuts and if all goes well the money is still in NESWC for use next year. Selectman Rosenzweig feels strongly that using NESWC for capital expenses should be done. To change 3 weeks before Town Meeting will mean a change for School Committee and it is just too late to start adjusting budget proposals. We can look to make cuts to save the tax payers money and make reductions, but it is too late to be changing whole budgets. The Chairman stated that one cut can be the sidewalk snow blower as that will be funded out of this year's money. Selectman Berry would like confirmation on what the reserves will be for either of the plans. The Chairman will get the numbers but is the agreement we reduce and keep more money for reserves or stick to the current spending plan. Selectman Knibbe said yes, reduce and keep reserves for other years. Selectman Rosenzweig says reduce but with reservations not to reduce drastically. Selectman Berry says the maintenance is necessary and will only cost more

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money later, use the resources we have now to meet those needs. Selectman Magee said the capital items should be purchased while the money is there. Next year if the economy continues to be bad the money will be spent down on operational expenses with no advantage to the capital needs of the town. The money will be gone one way or another. He also would like to go with budget cuts but not do away with the entire plan. He is very reluctant to take anything forward into bonding.

Peter Ashton presented hand outs to speak to his objections to the current Selectmen's Plan, stating it (with the error) would not be sustainable. Mr. Ashton then passed out a spread sheet with the errors fixed and 5% increase as opposed to 6% increase going forward. Even at 5% he believes the plan to be optimistic if at all doable. Selectman Magee looked at the plans and stated they are comparing apples to oranges. They are not comparing common factors. Mr. Ashton handed out a compromise budget which makes slight adjustments to budget assumptions and carries out the reserves to use until 2011. He announced again that there are economic troubles ahead. It also adjusts the ALG revenue sharing split assumption with the schools which the town had wanted to gain.

The Chairman thanked Mr. Ashton for his hard work and is leaning towards agreeing somewhat with his plan. It was stated that the Board should revisit how ALG is handled. Being as there is an error in the new Board spreadsheet we will go back to Mr. Ashton's old compromise plan which is in front of us.

Jonathan Chinitz spoke to the Ashton proposal. What the proposal offers is the word "together" in terms of operations. Both the schools and the town need to give up and make compromises. This is guidance from the Finance Committee and it is prudent. It requires leadership. It is a compromise going forward not just for one year.

Selectman Magee resumed his questioning of the Ashton plan asking if in fact the School Committee and Finance Committee had already adopted the plan. Otherwise it is a mute point for the Selectman to blindly back yet another plan. The Town still has major needs. Mr. Chinitz replied the Schools have formulated a response to the plan. They did not take a vote; they are waiting for the Selectmen's agreement. They will not be happy as they do not want to cut staff. Pat Clifford of the Finance Committee responded that compromise hurts and the Selectmen need to step up, it is time. Selectman Rosenzweig asked Pat Clifford, did the ALG approve a specific plan? She responded if ALG approved the plan it would be implicit that a change in split and reductions would take place. Discipline is what we voted. Selectman Rosenzweig again stated, you are talking about approving reductions and discipline not the Ashton plan if the plan is adopted by ALG. The Selectmen questioned what the number to cut from the budget is. That number is not known until a plan becomes adopted. Selectman Knibbe is comfortable with the Ashton plan at least for this year. But not sure she wants to agree for the following years with the same assumptions. Jonathan Chinitz stated all revenues are to be shared together. The Chairman agrees we need to look at this process more holistically.

The Town Manager stated there are a couple opportunities to take advantage of; one would be to amend the revolving account of the ambulance fund to allow it to pay for some personnel. Second, we need to revisit prior articles and see what monies actually exist to be used. We are here to implement the Board's policies and decisions.

Selectman Knibbe would like to go through the warrant and make changes in the recommendations of what we know. The Chairman stated that would take some time to get appropriate figures and it would be just as well to mark all as deferred. Selectman Magee made a motion to mark all capital items to deferred, Selectwoman Knibbe seconds. All were in favor of motion as stated and it carried.

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The Chairman stated that there is a need for another meeting and since Finance Committee is meeting Tuesday night to vote on the Selectmen's budget he will do his best to get staff to give them the likely recommendations.

Selectman Rosenzweig is very concerned about the cuts the town is agreeing to. Jonathan Chinitz needs to know what is going to be approved. He will make it happen with your help. Selectman Magee made a motion to reconfigure spending plan to fit this outcome. Selectwoman Rosenzweig, how can any of us make a decision not knowing a number for cutting expenditures? The Town Manager stated about \$1.1M. Selectwoman Rosenzweig stated that she was reluctant to make a decision. Nancy Tavernier stated that it is the economy, our only source of revenue being excise and property tax our revenue sources are soft. It is not about schools or town or taxpayers. Selectman Berry cannot vote with out knowing our numbers and the impact on our budgets. Selectman Knibbe did do a straw man budget and it helped and she can live with cuts. Selectman Berry asked if we are voting on free cash. Selectman Knibbe feels NESWC is different than free cash and how it is spent is different. Selectman Magee is not sure that he knows the answer to where NESWC monies stand here. Selectman Rosenzweig asked the exact number that the schools were cut and Jonathan answered that it would be about \$400,000. The Chairman then took a vote all in favor of adopting the Ashton plan say aye. All voted in favor. The Chairman wanted a recommendation on the warrant article exempting the Deputy Chief from the civil service exam. Selectman Magee would make a motion not to recommend that article. That would give the Town Manager time to institute a new alternative qualifying method. There was no second. The motion fails. Selectmen Knibbe moved to continue to recommend on that article. Selectman Berry seconds, three in favor Selectman Magee opposed, it passes. The Board will meet again to discuss budgets on Thursday morning March 13th at 7:30a.m. The Board also decided to defer their recommendations on all capital articles until that meeting.

WARRANT ARTICLE CHANGE, REVOLVING FUND, FIRE DEPARTMENT

The Chairman turned to the revolving ambulance fund and the Town Manager gave some background information on changing the revolving funds wording to include some personnel. It would need to be re-voted every year. Selectwoman Knibbe wanted to know the possibility of amending the wording to help pay for other emergency vehicles, such as a pumper truck. The Town Manager replied it could be looked into. Selectman Magee made a motion to look into amending the wording for the revolving account and Selectwoman Rosenzweig seconded, all voted in favor.

OTHER BUSINESS

Selectman Magee discussed with the Board the counsel's opinion of the ruling for the CPA passed on through the planning committee. His recommendation is that we not put in any language referring to changes that might be made whether pending court cases or legislation. The language will not be included in the warrant.

Selectman Rosenzweig asked if there were any objections to notification about the survey going out in the warrant and the Chair replied that it was fine as long as it did not hold things up. Selectman Knibbe wanted to hand out a survey at Town Meeting about the Senior Center. The Chair replied that it was up to the Town Clerk as to if she wanted to have someone sit out side of the meeting and hand out such information.

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IV. CONSENT AGENDA

No Materials Enclosed

V. TOWN MANAGER'S REPORT

VI. EXECUTIVE SESSION

None required

Recording Secretary

Andrew D. Magee, Clerk

Date